

# Senate Study Bill 3235

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE  
ON JUDICIARY BILL  
BY CO=CHAIRPERSONS  
KREIMAN AND MILLER)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act containing various provisions relating to business  
2 entities, including limited partnerships, corporations,  
3 limited liability companies, cooperatives, and nonprofit  
4 corporations.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
6 TLSB 5201SC 81  
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1 1 DIVISION I  
1 2 LIMITED PARTNERSHIPS  
1 3 Section 1. Section 488.108, subsection 4, paragraph b,  
1 4 Code Supplement 2005, is amended by striking the paragraph and  
1 5 inserting in lieu thereof the following:  
1 6 b. A name reserved, registered, or protected as follows:  
1 7 (1) For a limited liability partnership, section 486A.1001  
1 8 or 486A.1002.  
1 9 (2) For a limited partnership, this section, section  
1 10 488.109, or section 488.810.  
1 11 (3) For a business corporation, section 490.401, 490.402,  
1 12 490.403, or 490.1422.  
1 13 (4) For a limited liability company, section 490A.401,  
1 14 490A.402, or 490A.1314.  
1 15 (5) For a nonprofit corporation, section 504.401, 504.402,  
1 16 504.403, or 504.1423.  
1 17 Sec. 2. Section 488.810, subsection 1, unnumbered  
1 18 paragraph 1, Code 2005, is amended to read as follows:  
1 19 A limited partnership that has been administratively  
1 20 dissolved may apply to the secretary of state for  
1 21 reinstatement ~~within two years at any time~~ after the effective  
1 22 date of dissolution. The application must be delivered to the  
1 23 secretary of state for filing and state all of the following:  
1 24 Sec. 3. Section 488.810, subsection 1, paragraph c, Code  
1 25 2005, is amended to read as follows:  
1 26 c. ~~That if the application is received more than five~~  
1 27 ~~years after the effective date of the dissolution, that the~~  
1 28 limited partnership's name satisfies the requirements of  
1 29 section 488.108.  
1 30 Sec. 4. Section 488.810, subsection 2, Code 2005, is  
1 31 amended to read as follows:  
1 32 2. If the secretary of state determines that an  
1 33 application contains the information required by subsection 2  
1 34 and that the information is correct, the secretary of state  
1 35 shall prepare a declaration of reinstatement that states this  
2 1 determination, sign, and file the original of the declaration  
2 2 of reinstatement, and ~~serve~~ deliver a copy to the limited  
2 3 partnership ~~with a copy~~.  
2 4 Sec. 5. Section 488.810, Code 2005, is amended by adding  
2 5 the following new subsection:  
2 6 NEW SUBSECTION. 4. A limited partnership shall not  
2 7 relinquish the right to retain its name if the reinstatement  
2 8 is effective within five years of the effective date of the  
2 9 limited partnership's dissolution.  
2 10 DIVISION II  
2 11 BUSINESS CORPORATIONS  
2 12 Sec. 6. Section 490.401, subsection 2, paragraph b, Code  
2 13 Supplement 2005, is amended by striking the paragraph and

2 14 inserting in lieu thereof the following:

2 15 b. A name reserved, registered, or protected as follows:

2 16 (1) For a limited liability partnership, section 486A.1001  
2 17 or 486A.1002.

2 18 (2) For a limited partnership, section 488.108, 488.109,  
2 19 or 488.810.

2 20 (3) For a business corporation, this section, or section  
2 21 490.402, 490.403, or 490.1422.

2 22 (4) For a limited liability company, section 490A.401,  
2 23 490A.402, or 490A.1314.

2 24 (5) For a nonprofit corporation, section 504.401, 504.402,  
2 25 504.403, or 504.1423.

2 26 Sec. 7. Section 490.401, subsection 5, Code Supplement  
2 27 2005, is amended to read as follows:

2 28 5. This chapter does not control the use of fictitious  
2 29 names; however, if a corporation or a foreign corporation uses  
2 30 a fictitious name in this state it shall deliver to the  
2 31 secretary of state for filing a certified copy of the  
2 32 resolution of its board of directors, ~~certified by its~~  
2 33 ~~secretary filed and executed according to section 490.120,~~  
2 34 adopting the fictitious name.

2 35 Sec. 8. Section 490.630, subsection 1, Code 2005, is  
3 1 amended to read as follows:

3 2 1. ~~Unless section 490.1704 is applicable to the~~  
3 3 ~~corporation, the~~ The shareholders of a corporation do not have  
3 4 a preemptive right to acquire the corporation's unissued  
3 5 shares except to the extent the articles of incorporation so  
3 6 provide.

3 7 Sec. 9. Section 490.704, subsection 1, Code 2005, is  
3 8 amended to read as follows:

3 9 1. Unless otherwise provided in the articles of  
3 10 incorporation, any action required or permitted by this  
3 11 chapter to be taken at a shareholders' meeting may be taken  
3 12 without a meeting or vote, and, except as provided in  
3 13 subsection 5, without prior notice, if one or more written  
3 14 consents describing the action taken are signed by the holders  
3 15 of outstanding shares having not less than ~~ninety percent of~~  
3 16 ~~the votes entitled to be cast the minimum number of votes that~~  
3 17 ~~would be necessary to authorize or take such action at a~~  
3 18 meeting at which all shares entitled to vote on the action  
3 19 were present and voted, and are delivered to the corporation  
3 20 for inclusion in the minutes or filing with the corporate  
3 21 records.

3 22 Sec. 10. Section 490.1422, subsection 1, unnumbered  
3 23 paragraph 1, Code 2005, is amended to read as follows:

3 24 A corporation administratively dissolved under section  
3 25 490.1421 may apply to the secretary of state for reinstatement  
3 26 ~~within two years at any time~~ after the effective date of  
3 27 dissolution. The application must meet all of the following  
3 28 requirements:

3 29 Sec. 11. Section 490.1422, subsection 1, paragraph c, Code  
3 30 2005, is amended to read as follows:

3 31 c. ~~State~~ If the application is received more than five  
3 32 years after the effective date of dissolution, state a  
3 33 corporate name that satisfies the requirements of section  
3 34 490.401.

3 35 Sec. 12. Section 490.1422, subsection 2, paragraph b, Code  
4 1 2005, is amended to read as follows:

4 2 b. (1) If the secretary of state determines that the  
4 3 application contains the information required by subsection 1,  
4 4 and that a delinquency or liability reported pursuant to  
4 5 paragraph "a" ~~of this subsection~~ has been satisfied, and that  
4 6 the information is correct, the secretary of state shall  
4 7 cancel the certificate of dissolution and prepare a  
4 8 certificate of reinstatement that recites the secretary of  
4 9 state's determination and the effective date of reinstatement,  
4 10 file the ~~original of the~~ certificate of reinstatement, and  
4 11 ~~serve deliver~~ a copy on to the corporation under section  
4 12 490.504.

4 13 (2) If the corporate name in subsection 1, paragraph "c",  
4 14 is different than the corporate name in subsection 1,  
4 15 paragraph "a", the certificate of reinstatement shall  
4 16 constitute an amendment to the articles of incorporation  
4 17 insofar as it pertains to the corporate name. A corporation  
4 18 shall not relinquish the right to retain its corporate name if  
4 19 the reinstatement is effective within five years of the  
4 20 effective date of the corporation's dissolution.

4 21 Sec. 13. Section 490.1422, subsection 4, Code 2005, is  
4 22 amended by striking the subsection.

4 23 Sec. 14. Section 490.1506, subsection 2, paragraph b, Code  
4 24 2005, is amended to read as follows:

4 25 b. A ~~corporate~~ name reserved ~~or, registered under, or~~  
4 26 ~~protected as provided in section 490.402 or 490.403.~~

4 27 Sec. 15. Section 490.1701, subsection 3, paragraph a, Code  
4 28 Supplement 2005, is amended to read as follows:

4 29 a. The corporation shall amend or restate its articles of  
4 30 incorporation to indicate that the corporation adopts this  
4 31 chapter and to designate the address of its initial registered  
4 32 office and the name of its registered agent ~~or agents~~ at that  
4 33 office and, if the name of the corporation is not in  
4 34 compliance with the requirements of this chapter, to change  
4 35 the name of the corporation to one complying with the  
5 1 requirements of this chapter.

5 2 Sec. 16. Section 534.508, subsection 1, Code 2005, is  
5 3 amended to read as follows:

5 4 1. IN GENERAL. Sections 490.601 through 490.604, 490.620  
5 5 through 490.628, and 490.630, ~~and 490.1704~~ apply to stock  
5 6 associations.

5 7 Sec. 17. Sections 490.1704 and 490.1705, Code 2005, are  
5 8 repealed.

5 9 DIVISION III

5 10 LIMITED LIABILITY COMPANIES

5 11 Sec. 18. Section 490A.121, subsections 2 and 3, Code 2005,  
5 12 are amended to read as follows:

5 13 2. The secretary of state files a document by ~~stamping or~~  
5 14 ~~otherwise endorsing recording it as "filed", together with the~~  
5 15 ~~secretary of state's name and official title and acknowledging~~  
5 16 ~~the date and time of its receipt, on both the document and the~~  
5 17 ~~receipt for the filing fee, and recording the document in the~~  
5 18 ~~records of the secretary of state. After filing a document,~~  
5 19 ~~and except as provided in section 490A.503, the secretary of~~  
5 20 ~~state shall deliver a copy of the filed document, with the~~  
5 21 ~~filing fee receipt, or an acknowledgment of receipt if no fee~~  
5 22 ~~is required, attached, the date and time of filing to the~~  
5 23 ~~domestic or foreign limited liability company or its~~  
5 24 ~~representative.~~

5 25 3. If the secretary of state refuses to file a document,  
5 26 the secretary of state shall return it to the domestic or  
5 27 foreign limited liability company or its representative ~~within~~  
5 28 ~~ten days after the document was received by the secretary of~~  
5 29 ~~state, together with a brief, written explanation of the~~  
5 30 ~~reason for the refusal.~~

5 31 Sec. 19. Section 490A.124, subsection 1, paragraphs e and  
5 32 f, Code 2005, are amended to read as follows:

5 33 e. Application for registered name per month or part  
5 34 thereof ..... \$ ~~2~~ No fee

5 35 f. Application for renewal of registered name  
6 1 ..... \$ ~~20~~ No fee

6 2 Sec. 20. Section 490A.131, subsection 1, paragraph b, Code  
6 3 Supplement 2005, is amended to read as follows:

6 4 b. The street ~~and mailing~~ address of its ~~designated~~  
6 5 ~~registered~~ office and the name and ~~street and mailing~~ address  
6 6 of its ~~registered~~ agent ~~for service of process in this state.~~

6 7 Sec. 21. Section 490A.131, subsection 4, Code Supplement  
6 8 2005, is amended to read as follows:

6 9 4. If a filed biennial report contains an address of a  
6 10 ~~designated registered~~ office or the name or address of ~~an a~~  
6 11 ~~registered~~ agent ~~for service of process~~ which differs from the  
6 12 information shown in the records of the secretary of state  
6 13 immediately before the filing, the differing information in  
6 14 the biennial report is considered a statement of change under  
6 15 section 490A.502.

6 16 Sec. 22. Section 490A.201, Code 2005, is amended to read  
6 17 as follows:

6 18 490A.201 PURPOSES.

6 19 1. A limited liability company organized under this  
6 20 chapter has the purpose of engaging in any lawful ~~business~~  
6 21 ~~activity~~ unless a more limited purpose is set forth in the  
6 22 articles of organization.

6 23 2. A limited liability company engaging in ~~a business an~~  
6 24 ~~activity~~ that is subject to regulation under another statute  
6 25 of this state may organize under this chapter only if  
6 26 permitted by, and subject to all limitations of, the other  
6 27 statute.

6 28 Sec. 23. Section 490A.305, subsection 2, paragraph b, Code  
6 29 2005, is amended to read as follows:

6 30 b. Separate and distinct records are maintained for ~~the~~  
6 31 ~~that series and separate and distinct records account for the~~  
6 32 ~~assets associated with the that series are held and. The~~  
6 33 ~~assets associated with a series must be~~ accounted for  
6 34 separately from the other assets of the limited liability  
6 35 company, ~~or from any other series of the limited liability~~

7 1 ~~company including another series.~~

7 2 Sec. 24. Section 490A.305, subsection 13, Code 2005, is  
7 3 amended to read as follows:

7 4 13. A foreign limited liability company that is  
7 5 ~~registering authorized~~ to do business in this state under ~~this~~  
7 6 ~~chapter subchapter XIV~~ which is governed by an operating  
7 7 agreement that establishes or provides for the establishment  
7 8 of designated series of members, managers, or membership  
7 9 interests having separate rights, powers, or duties with  
7 10 respect to specified property or obligations of the foreign  
7 11 limited liability company, or profits and losses associated  
7 12 with the specified property or obligations, shall indicate  
7 13 that fact on the application for ~~registration a certificate of~~  
7 14 ~~authority~~ as a foreign limited liability company ~~as provided~~  
7 15 ~~in section 490A.1402.~~ In addition, the foreign limited

7 16 liability company shall state on the application whether the  
7 17 debts, liabilities, and obligations incurred, contracted for,  
7 18 or otherwise existing with respect to a particular series, if  
7 19 any, are enforceable against the assets of such series only,  
7 20 and not against the assets of the foreign limited liability  
7 21 company generally.

7 22 Sec. 25. Section 490A.401, subsection 3, paragraph a, Code  
7 23 2005, is amended by striking the paragraph and inserting in  
7 24 lieu thereof the following:

7 25 a. A name reserved, registered, or protected as follows:

7 26 (1) For a limited liability partnership, section 486A.1001  
7 27 or 486A.1002.

7 28 (2) For a limited partnership, section 488.108, 488.109,  
7 29 or 488.810.

7 30 (3) For a business corporation, section 490.401, 490.402,  
7 31 490.403, or 490.1422.

7 32 (4) For a limited liability company, this section or  
7 33 section 490A.402 or 490A.1314.

7 34 (5) For a nonprofit corporation, section 504.401, 504.402,  
7 35 504.403, or 504.1423.

8 1 Sec. 26. Section 490A.401, subsection 3, paragraph d, Code  
8 2 2005, is amended by striking the paragraph.

8 3 Sec. 27. NEW SECTION. 490A.1308 REVOCATION OF  
8 4 DISSOLUTION.

8 5 1. A limited liability company may revoke its dissolution  
8 6 within one hundred twenty days of the effective date of its  
8 7 articles of dissolution.

8 8 2. Revocation of dissolution must be authorized in the  
8 9 same manner as the dissolution was authorized unless that  
8 10 authorization permitted revocation by action of the managers  
8 11 of the limited liability company alone, in which event the  
8 12 managers may revoke the dissolution without member action.

8 13 3. After the revocation of dissolution is authorized, the  
8 14 limited liability company may revoke the dissolution by  
8 15 delivering to the secretary of state for filing articles of  
8 16 revocation of dissolution, together with a copy of its  
8 17 articles of dissolution, that set forth all of the following:

8 18 a. The name of the limited liability company.

8 19 b. The effective date of the dissolution that was revoked.

8 20 c. The date that the revocation of dissolution was  
8 21 authorized.

8 22 d. If members of the limited liability company unanimously  
8 23 revoked the dissolution, a statement to that effect.

8 24 e. If the managers of the limited liability company  
8 25 revoked a dissolution authorized by its members, a statement  
8 26 that revocation was permitted by action by the managers alone  
8 27 pursuant to that authorization.

8 28 4. Revocation of dissolution is effective upon the  
8 29 effective date of the articles of revocation of dissolution.

8 30 5. When the revocation of dissolution is effective, it  
8 31 relates back to and takes effect as of the effective date of  
8 32 the dissolution as if the dissolution had never occurred.

8 33 PART B  
8 34 ADMINISTRATIVE DISSOLUTION

8 35 Sec. 28. NEW SECTION. 490A.1311 GROUNDS FOR  
9 1 ADMINISTRATIVE DISSOLUTION.

9 2 The secretary of state may commence a proceeding under  
9 3 section 490A.1312 to administratively dissolve a limited  
9 4 liability company if any of the following apply:

9 5 1. The limited liability company has not delivered a  
9 6 biennial report to the secretary of state in a form that meets  
9 7 the requirements of section 490A.131, within sixty days after  
9 8 it is due, or has not paid the filing fee as determined by the  
9 9 secretary of state, within sixty days after it is due.

9 10 2. The limited liability company is without a registered  
9 11 office or registered agent in this state as required in

9 12 subchapter V for sixty days or more.  
9 13 3. The limited liability company does not notify the  
9 14 secretary of state within sixty days that its registered  
9 15 office or registered agent as required in subchapter V has  
9 16 been changed, its registered office has been discontinued, or  
9 17 that its registered agent has resigned.  
9 18 4. The limited liability company's period of duration  
9 19 stated in its articles of organization expires.  
9 20 Sec. 29. NEW SECTION. 490A.1312 PROCEDURE FOR AND EFFECT  
9 21 OF ADMINISTRATIVE DISSOLUTION.  
9 22 1. If the secretary of state determines that one or more  
9 23 grounds exist under section 490A.1311 for dissolving a limited  
9 24 liability company, the secretary of state shall serve the  
9 25 limited liability company with written notice of the secretary  
9 26 of state's determination under section 490A.504.  
9 27 2. If the limited liability company does not correct each  
9 28 ground for dissolution or demonstrate to the reasonable  
9 29 satisfaction of the secretary of state that each ground  
9 30 determined by the secretary of state does not exist within  
9 31 sixty days after service of the notice is perfected under  
9 32 section 490A.504, the secretary of state shall  
9 33 administratively dissolve the limited liability company by  
9 34 signing a certificate of dissolution that recites the ground  
9 35 or grounds for dissolution and its effective date. The  
10 1 secretary of state shall file the original of the certificate  
10 2 and serve a copy on the limited liability company under  
10 3 section 490A.504.  
10 4 3. A limited liability company administratively dissolved  
10 5 continues its existence but shall not carry on any business  
10 6 except that necessary to wind up and liquidate its business  
10 7 and affairs under part A of this subchapter and notify  
10 8 claimants under sections 490A.1306 and 490A.1307.  
10 9 4. The administrative dissolution of a limited liability  
10 10 company does not terminate the authority of its registered  
10 11 agent as provided in subchapter V.  
10 12 5. The secretary of state's administrative dissolution of  
10 13 a limited liability company pursuant to this section appoints  
10 14 the secretary of state the limited liability company's agent  
10 15 for service of process in any proceeding based on a cause of  
10 16 action which arose during the time the limited liability  
10 17 company was authorized to transact business in this state.  
10 18 Service of process on the secretary of state under this  
10 19 subsection is service on the limited liability company. Upon  
10 20 receipt of process, the secretary of state shall serve a copy  
10 21 of the process on the limited liability company as provided in  
10 22 section 490A.504. This subsection does not preclude service  
10 23 on the limited liability company's registered agent, if any.  
10 24 Sec. 30. NEW SECTION. 490A.1313 REINSTATEMENT FOLLOWING  
10 25 ADMINISTRATIVE DISSOLUTION.  
10 26 1. A limited liability company administratively dissolved  
10 27 under section 490A.1312 may apply to the secretary of state  
10 28 for reinstatement at any time after the effective date of  
10 29 dissolution. The application must meet all of the following  
10 30 requirements:  
10 31 a. Recite the name of the limited liability company at its  
10 32 date of dissolution and the effective date of its  
10 33 administrative dissolution.  
10 34 b. State that the ground or grounds for dissolution as  
10 35 provided in section 490A.1311 have been eliminated.  
11 1 c. If the application is received more than five years  
11 2 after the effective date of the administrative dissolution,  
11 3 state a name that satisfies the requirements of section  
11 4 490A.401.  
11 5 d. State the federal tax identification number of the  
11 6 limited liability company.  
11 7 2. a. The secretary of state shall refer the federal tax  
11 8 identification number contained in the application for  
11 9 reinstatement to the department of revenue. The department of  
11 10 revenue shall report to the secretary of state the tax status  
11 11 of the limited liability company. If the department reports  
11 12 to the secretary of state that a filing delinquency or  
11 13 liability exists against the limited liability company, the  
11 14 secretary of state shall not cancel the certificate of  
11 15 dissolution until the filing delinquency or liability is  
11 16 satisfied.  
11 17 b. If the secretary of state determines that the  
11 18 application contains the information required by subsection 1,  
11 19 and that a delinquency or liability reported pursuant to  
11 20 paragraph "a" of this subsection has been satisfied, and that  
11 21 the information is correct, the secretary of state shall  
11 22 cancel the certificate of dissolution and prepare a

11 23 certificate of reinstatement that recites the secretary of  
11 24 state's determination and the effective date of reinstatement,  
11 25 file the original of the certificate, and serve a copy on the  
11 26 limited liability company under section 490A.504. If the  
11 27 limited liability company's name in subsection 1, paragraph  
11 28 "c", is different than the name in subsection 1, paragraph  
11 29 "a", the certificate of reinstatement shall constitute an  
11 30 amendment to the limited liability company's articles of  
11 31 organization insofar as it pertains to its name. A limited  
11 32 liability company shall not relinquish the right to retain its  
11 33 name as provided in section 490A.401, if the reinstatement is  
11 34 effective within five years of the effective date of the  
11 35 limited liability company's dissolution.

12 1 3. When the reinstatement is effective, it relates back to  
12 2 and takes effect as of the effective date of the  
12 3 administrative dissolution as if the administrative  
12 4 dissolution had never occurred.

12 5 Sec. 31. NEW SECTION. 490A.1314 APPEAL FROM DENIAL OF  
12 6 REINSTATEMENT.

12 7 1. If the secretary of state denies a limited liability  
12 8 company's application for reinstatement following  
12 9 administrative dissolution pursuant to section 490A.1312, the  
12 10 secretary of state shall serve the limited liability company  
12 11 under section 490A.504 with a written notice that explains the  
12 12 reason or reasons for denial.

12 13 2. The limited liability company may appeal the denial of  
12 14 reinstatement to the district court within thirty days after  
12 15 service of the notice of denial is perfected. The limited  
12 16 liability company appeals by petitioning the court to set  
12 17 aside the dissolution and attaching to the petition copies of  
12 18 the secretary of state's certificate of dissolution, the  
12 19 limited liability company's application for reinstatement, and  
12 20 the secretary of state's notice of denial.

12 21 3. The court may summarily order the secretary of state to  
12 22 reinstate the dissolved limited liability company or may take  
12 23 other action the court considers appropriate.

12 24 4. The court's final decision may be appealed as in other  
12 25 civil proceedings.

12 26 Sec. 32. Section 490A.1401, Code 2005, is amended to read  
12 27 as follows:

12 28 490A.1401 LAW GOVERNING.

12 29 The law of the state or other jurisdiction under which a  
12 30 foreign limited liability company is formed governs its  
12 31 formation and internal affairs and the liability of its  
12 32 members and managers. A foreign limited liability company  
12 33 shall not be denied ~~registration a certificate of authority~~ by  
12 34 reason of any difference between those laws and the laws of  
12 35 this state. A foreign limited liability company holding a  
13 1 valid ~~registration certificate of authority~~ in this state  
13 2 shall have no greater rights and privileges than a domestic  
13 3 limited liability company. The ~~registration certificate of~~  
13 4 ~~authority~~ shall not be deemed to authorize the foreign limited  
13 5 liability company to exercise any of its powers or purposes  
13 6 that a domestic limited liability company is forbidden by law  
13 7 to exercise in this state.

13 8 Sec. 33. Section 490A.1402, Code 2005, is amended by  
13 9 striking the section and inserting in lieu thereof the  
13 10 following:

13 11 490A.1402 APPLICATION FOR CERTIFICATE OF AUTHORITY.

13 12 1. A foreign limited liability company may apply for a  
13 13 certificate of authority to transact business in this state by  
13 14 delivering an application to the secretary of state for  
13 15 filing. The application must set forth all of the following:

13 16 a. The name of the foreign limited liability company or,  
13 17 if its name is unavailable for use in this state, a name that  
13 18 satisfies the requirements of section 490A.401.

13 19 b. The name of the state or country under whose law it is  
13 20 organized.

13 21 c. Its date of formation and period of duration.

13 22 d. The street address of its principal office.

13 23 e. The address of its registered office in this state and  
13 24 the name of its registered agent at that address as provided  
13 25 in subchapter V.

13 26 2. The foreign limited liability company shall deliver the  
13 27 completed application to the secretary of state, and also  
13 28 deliver to the secretary of state a certificate of existence  
13 29 or a document of similar import duly authenticated by the  
13 30 secretary of state or proper officer of the state or other  
13 31 jurisdiction of its formation which is dated no earlier than  
13 32 ninety days prior to the date the application is filed with  
13 33 the secretary of state.

13 34 Sec. 34. Section 490A.1404, unnumbered paragraph 1, Code  
13 35 2005, is amended to read as follows:

14 1 A certificate of ~~registration authority~~ shall not be issued  
14 2 to a foreign limited liability company unless the name of the  
14 3 limited liability company satisfies the requirements of  
14 4 section 490A.401. To obtain or maintain a certificate of  
14 5 ~~registration authority~~, the company shall comply with the  
14 6 following:

14 7 Sec. 35. Section 490A.1405, Code 2005, is amended to read  
14 8 as follows:

14 9 490A.1405 CHANGE AND AMENDMENT.

14 10 If any statement in the application for ~~registration a~~  
14 11 ~~certificate of authority~~ of a foreign limited liability  
14 12 company was false when made or any arrangements or other facts  
14 13 described have changed, making the application inaccurate in  
14 14 any respect, the foreign limited liability company shall  
14 15 promptly deliver to the secretary of state for filing articles  
14 16 of correction correcting such statement as required by section  
14 17 490A.123.

14 18 Sec. 36. Section 490A.1406, subsection 1, paragraph b,  
14 19 Code 2005, is amended to read as follows:

14 20 b. That the foreign limited liability company is not  
14 21 transacting business in this state and that it surrenders its  
14 22 ~~registration certificate of authority~~ to transact business in  
14 23 this state.

14 24 Sec. 37. Section 490A.1406, subsection 2, Code 2005, is  
14 25 amended to read as follows:

14 26 2. The certificate of ~~registration authority~~ shall be  
14 27 canceled upon the filing of the certificate of cancellation by  
14 28 the secretary of state.

14 29 Sec. 38. Section 490A.1410, subsection 2, unnumbered  
14 30 paragraph 1, Code 2005, is amended to read as follows:

14 31 A certificate of ~~registration authority~~ of a foreign  
14 32 limited liability company shall not be revoked by the  
14 33 secretary of state, unless both of the following apply:

14 34 DIVISION IV  
14 35 TRADITIONAL COOPERATIVES

15 1 Sec. 39. Section 499.78, subsection 1, unnumbered  
15 2 paragraph 1, Code 2005, is amended to read as follows:

15 3 An association administratively dissolved under section  
15 4 499.77 may apply to the secretary of state for reinstatement  
15 5 ~~within two years at any time~~ after the effective date of  
15 6 dissolution. The application must meet all of the following  
15 7 requirements:

15 8 DIVISION V  
15 9 CLOSED COOPERATIVES

15 10 Sec. 40. Section 501.104, Code 2005, is amended to read as  
15 11 follows:

15 12 501.104 NAME.

15 13 The name of a cooperative organized under this chapter must  
15 14 comply with all of the following:

15 15 1. The name must contain the word "cooperative", "coop",  
15 16 or "co-op", ~~and the~~.

15 17 2. The name must be distinguishable from ~~the names~~ all of  
15 18 the following:

15 19 a. The name of cooperatives ~~a cooperative~~ organized under  
15 20 this chapter ~~or~~.

15 21 b. The name of a cooperative or cooperative association  
15 22 organized under another chapter, including chapter 497, 498,  
15 23 499, or 501A.

15 24 c. The name of a foreign cooperatives cooperative,  
15 25 cooperative association, or corporation authorized to do  
15 26 business in this state, including as provided in section  
15 27 499.54 or section 501A.221.

15 28 d. The name of a cooperative which has been  
15 29 administratively dissolved pursuant to section 501.812 for a  
15 30 period of less than five years from the effective date of the  
15 31 dissolution.

15 32 Sec. 41. Section 501.813, subsection 1, unnumbered  
15 33 paragraph 1, Code 2005, is amended to read as follows:

15 34 A cooperative administratively dissolved under section  
15 35 501.812 may apply to the secretary of state for reinstatement  
16 1 ~~within two years at any time~~ after the effective date of  
16 2 dissolution. The application must meet all of the following  
16 3 requirements:

16 4 Sec. 42. Section 501.813, subsection 1, paragraph c, Code  
16 5 2005, is amended to read as follows:

16 6 c. ~~State~~ If the application is received more than five  
16 7 years after the effective date of the cooperative's  
16 8 dissolution, state a name that satisfies the requirements of  
16 9 section 501.104.

16 10 Sec. 43. Section 501.813, subsection 2, paragraph b, Code  
16 11 2005, is amended to read as follows:

16 12 b. (1) If the secretary of state determines that the  
16 13 application contains the information required by subsection 1,  
16 14 and that a delinquency or liability reported pursuant to  
16 15 paragraph "a" has been satisfied, and that the information is  
16 16 correct, the secretary of state shall cancel the certificate  
16 17 of dissolution and prepare a certificate of reinstatement that  
16 18 recites the secretary of state's determination and the  
16 19 effective date of reinstatement, ~~file the original of the~~  
~~16 20 certificate document, and serve deliver a copy on to the~~  
16 21 cooperative under section 501.106.

16 22 (2) If the name of the cooperative as provided in  
16 23 subsection 1, paragraph "c", is different than the name in  
16 24 subsection 1, paragraph "a", the certificate of reinstatement  
16 25 shall constitute an amendment to the articles of association  
16 26 insofar as it pertains to the name. A cooperative shall not  
16 27 relinquish the right to retain its name if the reinstatement  
16 28 is effective within five years of the effective date of the  
16 29 cooperative's dissolution.

16 30 DIVISION VI

16 31 NONPROFIT CORPORATIONS

16 32 Sec. 44. Section 504.401, subsection 2, paragraph b, Code  
16 33 Supplement 2005, is amended by striking the paragraph and  
16 34 inserting in lieu thereof the following:

16 35 b. A name reserved, registered, or protected as follows:

17 1 (1) For a limited liability partnership, section 486A.1001  
17 2 or 486A.1002.

17 3 (2) For a limited partnership, section 488.108, 488.109,  
17 4 or 488.810.

17 5 (3) For a business corporation, section 490.401, 490.402,  
17 6 490.403, or 490.1422.

17 7 (4) For a limited liability company, section 490A.401,  
17 8 490A.402, or 490A.1314.

17 9 (5) For a nonprofit corporation, this section or section  
17 10 504.402, 504.403, or 504.1423.

17 11 Sec. 45. Section 504.401, subsection 5, Code Supplement  
17 12 2005, is amended to read as follows:

17 13 5. This chapter does not control the use of fictitious  
17 14 names; however, if a corporation or a foreign corporation uses  
17 15 a fictitious name in this state, it shall deliver to the  
17 16 secretary of state for filing a certified copy of the  
17 17 resolution of its board of directors, ~~certified by its~~  
~~17 18 secretary filed and executed pursuant to section 504.111,~~  
17 19 adopting the fictitious name.

17 20 Sec. 46. Section 504.403, subsection 1, paragraph b, Code  
17 21 Supplement 2005, is amended by striking the paragraph and  
17 22 inserting in lieu thereof the following:

17 23 b. A name reserved, registered, or protected as follows:

17 24 (1) For a limited liability partnership, section 486A.1001  
17 25 or 486A.1002.

17 26 (2) For a limited partnership, section 488.108, 488.109,  
17 27 or 488.810.

17 28 (3) For a business corporation, section 490.401, 490.402,  
17 29 490.403, or 490.1422.

17 30 (4) For a limited liability company, section 490A.401,  
17 31 490A.402, or 490A.1314.

17 32 (5) For a nonprofit corporation, this section or section  
17 33 501.401, 501.402, or 504.1423.

17 34 Sec. 47. Section 504.702, subsection 1, paragraph b, Code  
17 35 2005, is amended to read as follows:

18 1 b. Except as provided in the articles or bylaws of a  
18 2 ~~religious~~ corporation, if the holders of at least five percent  
18 3 of the voting power of any corporation sign, date, and deliver  
18 4 to any corporate officer one or more written demands for the  
18 5 meeting describing the purpose for which it is to be held.  
18 6 Unless otherwise provided in the articles of incorporation, a  
18 7 written demand for a special meeting may be revoked by a  
18 8 writing to that effect received by the corporation prior to  
18 9 the receipt by the corporation of demands sufficient in number  
18 10 to require the holding of a special meeting.

18 11 Sec. 48. Section 504.808, subsection 10, unnumbered  
18 12 paragraph 1, Code 2005, is amended to read as follows:

18 13 The articles or bylaws of a ~~religious~~ corporation may do  
18 14 both of the following:

18 15 Sec. 49. Section 504.901, Code Supplement 2005, is amended  
18 16 to read as follows:

18 17 504.901 PERSONAL LIABILITY.

18 18 1. Except as otherwise provided in this chapter, a  
18 19 director, officer, employee, or member of a corporation is not  
18 20 liable for the corporation's debts or obligations and a

18 21 director, officer, member, or other volunteer is not  
18 22 personally liable in that capacity to any person for any  
18 23 action taken or failure to take any action in the discharge of  
18 24 the person's duties except liability for any of the following:  
18 25 1- a. The amount of any financial benefit to which the  
18 26 person is not entitled.  
18 27 2- b. An intentional infliction of harm on the  
18 28 corporation or the members.  
18 29 3- c. A violation of section 504.835.  
18 30 4- d. An intentional violation of criminal law.

18 31 2. A provision set forth in the articles of incorporation  
18 32 eliminating or limiting the liability of a director to the  
18 33 corporation or its members for money damages for any action  
18 34 taken, or any failure to take any action, pursuant to section  
18 35 504.202, subsection 2, paragraph "d", shall not affect the  
19 1 applicability of this section.

19 2 Sec. 50. Section 504.1001, Code 2005, is amended to read  
19 3 as follows:

19 4 504.1001 AUTHORITY TO AMEND.

19 5 A corporation may amend its articles of incorporation at  
19 6 any time to add or change a provision that is required or  
19 7 permitted in the articles as of the effective date of the  
19 8 amendment or to delete a provision that is not required to be  
19 9 contained in the articles of incorporation. ~~Whether a~~  
19 10 provision is required or permitted in the articles is  
19 11 determined as of the effective date of the amendment.

19 12 Sec. 51. Section 504.1002, subsection 1, Code 2005, is  
19 13 amended to read as follows:

19 14 1. Unless the articles of incorporation provide otherwise,  
19 15 a corporation's board of directors may adopt ~~one or more~~  
19 16 amendments to the corporation's articles of incorporation  
19 17 without member approval ~~to do~~ for any of the following  
19 18 purposes:

19 19 a. ~~Extend~~ To extend the duration of the corporation if it  
19 20 was incorporated at a time when limited duration was required  
19 21 by law.

19 22 b. ~~Delete~~ To delete the names and addresses of the initial  
19 23 directors.

19 24 c. ~~Delete~~ To delete the name and address of the initial  
19 25 registered agent or registered office, if a statement of  
19 26 change is on file with the secretary of state.

19 27 d. ~~Change~~ To change the corporate name by substituting the  
19 28 word "corporation", "incorporated", "company", "limited", or  
19 29 the abbreviation "corp.", "inc.", "co.", or "ltd.", for a  
19 30 similar word or abbreviation in the name, or by adding,  
19 31 deleting, or changing a geographical attribution to the name.

19 32 e. ~~Make~~ To make any other change expressly permitted by  
19 33 this subchapter to be made by director action.

19 34 Sec. 52. Section 504.1005, unnumbered paragraph 1, Code  
19 35 2005, is amended to read as follows:

20 1 After an amendment to the articles of incorporation has  
20 2 been adopted and approved in the manner required by this  
20 3 chapter and by the articles of incorporation or bylaws, the  
20 4 corporation amending its articles shall deliver to the  
20 5 secretary of state, for filing, articles of amendment setting  
20 6 forth:

20 7 Sec. 53. Section 504.1005, subsections 4 and 5, Code 2005,  
20 8 are amended to read as follows:

20 9 4. If approval by members was not required, ~~a statement to~~  
20 10 ~~that effect and a statement that the amendment was duly~~  
20 11 ~~approved by a sufficient vote of the incorporators or by the~~  
20 12 ~~board of directors or incorporators, as the case may be, and~~  
20 13 ~~that member approval was not required.~~

20 14 5. If approval by members was required, ~~both of the~~  
20 15 ~~following:~~

20 16 a. ~~The designation, number of memberships outstanding,~~  
20 17 ~~number of votes entitled to be cast by each class entitled to~~  
20 18 ~~vote separately on the amendment, and number of votes of each~~  
20 19 ~~class indisputably voting on the amendment.~~

20 20 b. ~~Either the total number of votes cast for and against~~  
20 21 ~~the amendment by each class entitled to vote separately on the~~  
20 22 ~~amendment or the total number of undisputed votes cast for the~~  
20 23 ~~amendment by each class and a statement that the number of~~  
20 24 ~~votes cast for the amendment by each class was sufficient for~~  
20 25 ~~approval by that class duly approved by the members in the~~  
20 26 ~~manner required by this chapter, the articles of~~  
20 27 ~~incorporation, and bylaws.~~

20 28 Sec. 54. Section 504.1006, Code 2005, is amended to read  
20 29 as follows:

20 30 504.1006 RESTATED ARTICLES OF INCORPORATION.

20 31 1. A corporation's board of directors may restate the

20 32 corporation's articles of incorporation at any time with or  
20 33 without approval by members or any other person, to  
20 34 consolidate all amendments into a single document.

20 35 ~~2. The restatement may~~ If the restated articles include  
21 1 one or more new amendments to the articles. ~~If the~~  
21 2 ~~restatement includes an amendment requiring that require~~  
21 3 approval by the members or any other person, ~~it the amendments~~  
21 4 must be adopted as provided in section 504.1003.

21 5 ~~3. If the restatement includes an amendment requiring~~  
21 6 approval by members, the board must submit the restatement to  
21 7 the members for their approval.

21 8 ~~4. If the board seeks to have the restatement approved by~~  
21 9 the members at a membership meeting, the corporation shall  
21 10 notify each of its members of the proposed membership meeting  
21 11 in writing in accordance with section 504.705. ~~The notice~~  
21 12 ~~must also state that the purpose, or one of the purposes, of~~  
21 13 the meeting is to consider the proposed restatement and must  
21 14 contain or be accompanied by a copy or summary of the  
21 15 restatement that identifies any amendments or other changes  
21 16 the restatement would make in the articles.

21 17 ~~5. If the board seeks to have the restatement approved by~~  
21 18 the members by written ballot or written consent, the material  
21 19 soliciting the approval shall contain or be accompanied by a  
21 20 copy or summary of the restatement that identifies any  
21 21 amendments or other changes the restatement would make in the  
21 22 articles.

21 23 ~~6. A restatement requiring approval by the members must be~~  
21 24 approved by the same vote as an amendment to articles under  
21 25 section 504.1003.

21 26 ~~7. 3. If the restatement includes an amendment requiring~~  
21 27 approval pursuant to section 504.1031, the board must submit  
21 28 the restatement for such approval.

21 29 ~~8. 4. A corporation restating that restates its articles~~  
21 30 of incorporation shall deliver to the secretary of state for  
21 31 filing articles of restatement setting forth the name of the  
21 32 corporation and the text of the restated articles of  
21 33 incorporation together with a certificate ~~setting forth all of~~  
21 34 ~~the following:~~

21 35 ~~a. Whether the restatement contains an amendment to the~~  
22 1 ~~articles requiring approval by the members or any other person~~  
22 2 ~~other than the board of directors and, if it does not, that~~  
22 3 ~~the board of directors adopted the restatement.~~

22 4 ~~b. If the restatement contains an amendment to the~~  
22 5 ~~articles requiring approval by the members, the information~~  
22 6 ~~required by section 504.1005.~~

22 7 ~~c. If the restatement contains an amendment to the~~  
22 8 ~~articles requiring approval by a person whose approval is~~  
22 9 ~~required pursuant to section 504.1031, a statement that such~~  
22 10 ~~approval was obtained stating that the restated articles~~  
22 11 consolidate all amendments into a single document. If a new  
22 12 amendment is included in the restated articles, the  
22 13 corporation shall include the statement required in section  
22 14 504.1005.

22 15 ~~9. 5. Duly adopted restated articles of incorporation~~  
22 16 ~~supersede the original articles of incorporation and all~~  
22 17 ~~amendments to the original articles of incorporation.~~

22 18 ~~10. 6. The secretary of state may certify restated~~  
22 19 ~~articles of incorporation as the articles of incorporation~~  
22 20 ~~currently in effect without including the certificate~~  
22 21 ~~information required by subsection 8 4.~~

22 22 Sec. 55. Section 504.1007, subsection 1, Code 2005, is  
22 23 amended to read as follows:

22 24 1. A corporation's articles may be amended without board  
22 25 approval or approval by the members or approval required  
22 26 pursuant to section 504.1031 to carry out a plan of  
22 27 reorganization ordered or decreed by a court of competent  
22 28 jurisdiction under federal statute ~~if the articles after~~  
22 29 ~~amendment contain only provisions required or permitted by~~  
22 30 ~~section 504.202 the authority of law of the United States.~~

22 31 Sec. 56. Section 504.1008, Code Supplement 2005, is  
22 32 amended to read as follows:

22 33 504.1008 EFFECT OF AMENDMENT AND RESTATEMENT.

22 34 An amendment to the articles of incorporation does not  
22 35 affect a cause of action existing against or in favor of the  
23 1 corporation, a proceeding to which the corporation is a party,  
23 2 any requirement or limitation imposed upon the corporation, or  
23 3 any property held by it by virtue of any trust upon which such  
23 4 property is held by the corporation, or the existing rights of  
23 5 persons other than members of the corporation. An amendment  
23 6 changing a corporation's name does not abate a proceeding  
23 7 brought by or against the corporation in its former name.

23 8 Sec. 57. Section 504.1423, subsection 1, unnumbered  
23 9 paragraph 1, Code 2005, is amended to read as follows:  
23 10 A corporation administratively dissolved under section  
23 11 504.1422 may apply to the secretary of state for reinstatement  
23 12 ~~within two years at any time~~ after the effective date of  
23 13 dissolution. The application must state all of the following:  
23 14 Sec. 58. Section 504.1423, subsection 1, paragraph c, Code  
23 15 2005, is amended to read as follows:

23 16 c. ~~That if the application is received more than five~~  
23 17 ~~years after the effective date of dissolution, state the~~  
23 18 corporation's name satisfies the requirements of section  
23 19 504.401.

23 20 Sec. 59. Section 504.1423, subsection 2, paragraph b, Code  
23 21 2005, is amended to read as follows:

23 22 b. (1) If the secretary of state determines that the  
23 23 application contains the information required by subsection 1,  
23 24 that a delinquency or liability reported pursuant to paragraph  
23 25 "a" has been satisfied, and that all of the application  
23 26 information is correct, the secretary of state shall cancel  
23 27 the certificate of dissolution and prepare a certificate of  
23 28 reinstatement reciting that determination and the effective  
23 29 date of reinstatement, file the ~~original of the certificate~~  
23 30 ~~document~~, and ~~serve deliver~~ a copy ~~on to~~ the corporation under  
23 31 section 504.504.

23 32 (2) If the corporate name in subsection 1, paragraph "c",  
23 33 is different from the corporate name in subsection 1,  
23 34 paragraph "a", the certificate of reinstatement shall  
23 35 constitute an amendment to the articles of incorporation  
24 1 insofar as it pertains to the corporate name. A corporation  
24 2 shall not relinquish the right to retain its corporate name if  
24 3 the reinstatement is effective within five years of the  
24 4 effective date of the corporation's dissolution.

24 5 Sec. 60. Section 504.1506, subsection 2, paragraph b, Code  
24 6 Supplement 2005, is amended to read as follows:

24 7 b. A corporate name reserved, ~~or registered under, or~~  
24 8 ~~protected as provided in section 490.402 or 490.403 or section~~  
24 9 504.402 or 504.403.

24 10 Sec. 61. NEW SECTION. 504.1607 EXCEPTION TO NOTICE  
24 11 REQUIREMENT.

24 12 1. Whenever notice is required to be given under any  
24 13 provision of this chapter to any member, such notice shall not  
24 14 be required to be given if notice of two consecutive annual  
24 15 meetings, and all notices of meetings during the period  
24 16 between such two consecutive annual meetings, have been sent  
24 17 to the member at the member's address as shown on the records  
24 18 of the corporation and have been returned as undeliverable.

24 19 2. If the member delivers to the corporation a written  
24 20 notice setting forth the member's then-current address, the  
24 21 requirement that notice be given to the member shall be  
24 22 reinstated.

#### 24 23 EXPLANATION

24 24 This bill is divided into a number of divisions  
24 25 corresponding to Code chapters governing different forms of  
24 26 business entities, including division I which amends  
24 27 provisions in Code chapter 488 governing limited partnerships,  
24 28 division II which amends provisions in Code chapter 490  
24 29 governing business corporations, division III which amends  
24 30 provisions in Code chapter 490A governing limited liability  
24 31 companies, division IV amending provisions in Code chapter 499  
24 32 governing traditional cooperative associations, division V  
24 33 which amends provisions in Code chapter 501 governing closed  
24 34 cooperatives, and division VI which amends provisions in Code  
24 35 chapter 504 governing nonprofit corporations.

25 1 DIVISION I == LIMITED PARTNERSHIPS. Code section 488.108  
25 2 restricts how a limited partnership may name itself. The  
25 3 division provides that the name must be distinguished from  
25 4 names of other business entities in existence or which may be  
25 5 reinstated following dissolution, including a limited  
25 6 liability partnership (Code chapter 486A), a limited  
25 7 partnership (under the Code chapter), a business corporation  
25 8 (Code chapter 490), a limited liability company (Code chapter  
25 9 490A), or a nonprofit corporation (Code chapter 504).

25 10 Code section 488.810 provides for a limited partnership's  
25 11 reinstatement after it has been administratively dissolved.  
25 12 The bill eliminates a requirement that the limited partnership  
25 13 must apply within two years to the secretary of state for  
25 14 reinstatement. It also provides that a limited partnership  
25 15 has five years to reclaim its name following the effective  
25 16 date of an administrative dissolution.

25 17 Code section 488.810 provides procedures for reinstatement  
25 18 by the secretary of state. The division provides that the

25 19 secretary of state is to deliver (mail) a copy of the  
25 20 declaration of reinstatement to the limited partnership rather  
25 21 than to utilize service of process procedures.  
25 22 DIVISION II == BUSINESS CORPORATIONS. Code section 490.401  
25 23 restricts how a business corporation may name itself. The  
25 24 division provides that the name must be distinguished from  
25 25 names of other business entities in existence or which may be  
25 26 reinstated following dissolution, in the same manner as  
25 27 provided in division I.  
25 28 Code section 490.704 is amended to allow a business  
25 29 corporation to take action without a meeting with the consent  
25 30 of shareholders having the minimum number of votes required to  
25 31 authorize the action at a meeting.  
25 32 Code section 490.1422 provides procedures for reinstatement  
25 33 by the secretary of state. The division provides that the  
25 34 secretary of state may deliver (mail) the business corporation  
25 35 a copy of the declaration of reinstatement rather than utilize  
26 1 service of process procedures. It also provides that a  
26 2 corporation does not relinquish the right to retain its  
26 3 corporate name if the reinstatement is effective within five  
26 4 years of the effective date of the corporation's dissolution  
26 5 in the same manner as provided in division I. The division  
26 6 also amends a provision in the Code section by allowing it to  
26 7 list only one registered agent.  
26 8 DIVISION III == LIMITED LIABILITY COMPANIES. Code section  
26 9 490A.121 provides for the filing of documents with the office  
26 10 of the secretary of state. The division eliminates  
26 11 requirements that documents be endorsed and provides that the  
26 12 secretary of state must acknowledge the date and time of  
26 13 filing. It eliminates a requirement that the secretary of  
26 14 state return an unfiled document to the limited liability  
26 15 company within a specified time period.  
26 16 Code section 490A.124 lists filing fees for a number of  
26 17 documents filed with the secretary of state, including an  
26 18 application fee for a registered name reserved per month and  
26 19 an application for the renewal of a registered name. The  
26 20 division provides that these items have no fees.  
26 21 Code section 490A.131 requires a limited liability company  
26 22 to deliver a biennial report to the secretary of state. The  
26 23 division eliminates requirements relating to the mailing  
26 24 address of the limited liability company's registered office  
26 25 and agent.  
26 26 Code section 490A.201 is amended to provide that a limited  
26 27 liability company may have as its purpose any lawful activity,  
26 28 not just a lawful business activity.  
26 29 Code section 490A.305 is amended to further describe the  
26 30 requirements for maintenance of separate and distinct records  
26 31 associated with a series of members, managers, or membership  
26 32 interests of a limited liability company.  
26 33 Code section 490A.401 restricts how a limited liability  
26 34 company may name itself. The division provides that the name  
26 35 must be distinguished from names of other business entities in  
27 1 existence or which may be reinstated following dissolution, in  
27 2 the same manner as provided for business entities described in  
27 3 division I and division II.  
27 4 The division creates a number of new provisions relating to  
27 5 the dissolution of a limited liability company. New Code  
27 6 section 490A.1308 provides for the revocation of a voluntary  
27 7 dissolution. Other provisions provide for administrative  
27 8 dissolution. New Code section 490A.1311 provides grounds for  
27 9 an administrative dissolution. New Code section 490A.1312  
27 10 provides procedures for administrative dissolution. New Code  
27 11 section 490A.1313 provides for reinstatement following  
27 12 administrative dissolution. New Code section 490A.1314  
27 13 provides for appeal from a denial of reinstatement. In  
27 14 addition, Code section 490A.1402 is rewritten to provide a  
27 15 procedure for an application for a certificate of authority  
27 16 for a foreign limited liability company. It replaces  
27 17 provisions in a number of Code sections which refer to  
27 18 registration requirements.  
27 19 DIVISION IV == TRADITIONAL COOPERATIVES. The division  
27 20 amends a provision in Code section 499.78 which provides for  
27 21 the administrative dissolution of a cooperative association  
27 22 and allows a cooperative association to apply for  
27 23 reinstatement within two years after the effective date of the  
27 24 dissolution. The division eliminates that deadline  
27 25 requirement in the same manner as for other business entities  
27 26 described in the previous divisions.  
27 27 DIVISION V == CLOSED COOPERATIVES. Code section 501A.104  
27 28 restricts how a closed cooperative may name itself. The  
27 29 division amends the Code section to provide that the name must

27 30 be distinguishable from other cooperatives or cooperative  
27 31 associations organized under the Code chapter or other Code  
27 32 chapters, including the name of a closed cooperative which has  
27 33 been administratively dissolved in the same manner as  
27 34 amendments to provisions in division I, division II, and  
27 35 division III.

28 1 Code section 501A.813 provides for the administrative  
28 2 dissolution of a cooperative association and allows a  
28 3 cooperative association to apply for reinstatement within two  
28 4 years after the effective date of the dissolution. The  
28 5 division eliminates that deadline requirement in the same  
28 6 manner as provided for the preceding divisions of the bill.  
28 7 The division also provides that a closed cooperative does not  
28 8 relinquish the right to retain its name if it is reinstated  
28 9 within five years of the effective date of the closed  
28 10 cooperative's dissolution in the same manner as for other  
28 11 business entities described in division I, division II, and  
28 12 division III.

28 13 DIVISION VI == NONPROFIT CORPORATIONS. Code section  
28 14 504.401 restricts how a nonprofit corporation may name itself.  
28 15 The division provides that the name must be distinguished from  
28 16 names of other business entities in existence or which may be  
28 17 reinstated following dissolution, in the same manner as the  
28 18 business entities described in division I, division II, and  
28 19 division III.

28 20 Code section 504.401 also provides requirements for the  
28 21 filing of a resolution adopted by a nonprofit corporation's  
28 22 board of directors which adopts a fictitious name. The  
28 23 division provides that the resolution is not required to be  
28 24 certified by the board.

28 25 Code section 504.702 is amended to provide that any  
28 26 nonprofit corporation, not just a religious corporation, can  
28 27 alter the statutory demand requirements for holding a special  
28 28 meeting of the corporation in its corporate articles or  
28 29 bylaws.

28 30 Code section 504.808 is amended to provide that any  
28 31 nonprofit corporation, not just a religious corporation, can  
28 32 alter the statutory requirements for removal of elected  
28 33 corporate directors in its corporate articles or bylaws.

28 34 Code section 504.1001 is amended to make the language  
28 35 consistent with Code section 490.1001, relating to business  
29 1 corporations, by providing that a nonprofit corporation has  
29 2 the authority to amend its articles of incorporation by adding  
29 3 or changing a provision that is required or permitted in the  
29 4 articles of incorporation as of the effective date of the  
29 5 amendment, or to delete a provision not required in the  
29 6 articles of incorporation.

29 7 Code section 504.1002 is amended to make the language  
29 8 consistent with Code section 490.1005 relating to business  
29 9 corporations, providing for amendments of articles of  
29 10 incorporation by corporate directors.

29 11 Code section 504.1005 is amended to make the language  
29 12 consistent with Code section 490.1006 relating to business  
29 13 corporations, and provides that articles of amendment of a  
29 14 nonprofit corporation be adopted and approved as required by  
29 15 law and by the corporate articles or bylaws before being  
29 16 delivered to the secretary of state for filing.

29 17 Code section 504.1005, subsections 4 and 5, are amended to  
29 18 make the language consistent with Code section 490.1006  
29 19 relating to business corporations, and provides that the  
29 20 articles of amendment of a nonprofit corporation must include  
29 21 a statement that member approval was not required and the  
29 22 amendment was approved by the incorporators or directors, or a  
29 23 statement that member approval was required and was approved  
29 24 as required by law and by the corporate articles or bylaws.

29 25 Code section 504.1006 is amended to make the language  
29 26 consistent with Code section 490.1007 relating to business  
29 27 corporations, and provides that a nonprofit corporation's  
29 28 board of directors may consolidate all amendments into a  
29 29 single restated article of incorporation, any new amendments  
29 30 included in the restated articles that require approval must  
29 31 meet the requirements for amendments contained in Code section  
29 32 504.1003, and restated articles of incorporation must be  
29 33 delivered to the secretary of state for filing accompanied by  
29 34 a certificate stating that the restated articles consolidate  
29 35 all amendments into one document and, if new amendments are  
30 1 included, the statement required under Code section 504.1005.

30 2 Code section 504.1007 is amended to make the language  
30 3 consistent with Code section 490.1008 relating to business  
30 4 corporations, and provides that a nonprofit corporation's  
30 5 articles may be amended without board or member approval or

30 6 approval by a third person under Code section 504.1031 to  
30 7 carry out a plan of reorganization ordered by a court of  
30 8 competent jurisdiction under the authority of United States  
30 9 law.

30 10 Code section 504.1008 is amended to make the language  
30 11 consistent with Code section 490.1009, relating to business  
30 12 corporations, and is a technical correction.

30 13 Code section 504.1423 provides for a nonprofit  
30 14 corporation's reinstatement after it has been administratively  
30 15 dissolved. The division eliminates a requirement that the  
30 16 limited partnership must apply within two years to the  
30 17 secretary of state for reinstatement and provides that a  
30 18 limited partnership has five years to reclaim its name  
30 19 following the effective date of the administrative dissolution  
30 20 in the same manner as provided in division I, division II,  
30 21 division III, and division IV.

30 22 New Code section 504.1607 provides that notice to a member  
30 23 of a nonprofit corporation is no longer required if notice of  
30 24 two consecutive annual meetings and all notices of meetings  
30 25 between the two consecutive annual meetings have been sent to  
30 26 the member at the address of record and returned as  
30 27 undeliverable. The notice requirement can be reinstated if  
30 28 the member delivers written notice of the member's current  
30 29 address to the corporation.

30 30 LSB 5201SC 81

30 31 da:nh/sh/8